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9 **UNITED STATES DISTRICT COURT**
10 **DISTRICT OF NEVADA**

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12 SECURITIES AND EXCHANGE
13 COMMISSION,

14 Plaintiff,

15 vs.

16 ROBERT CORTEZ MARSHALL,

17 Defendant.
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Case No. 2:17-cv-2189-JAD-GWF

Judgment Upon Consent

ECF No. 19

1 The Securities and Exchange Commission (“SEC” or “Commission”) having
2 filed a Complaint and Defendant Robert Cortez Marshall (“Defendant” or
3 “Marshall”) having entered a general appearance; consented to the Court’s
4 jurisdiction over Defendant and the subject matter of this action; consented to entry
5 of this Judgment without admitting or denying the allegations of the Complaint
6 (except as to jurisdiction); waived findings of fact and conclusions of law; and
7 waived any right to appeal from this Judgment [ECF No. 19]:

8 **I.**

9 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is
10 permanently restrained and enjoined from violating, directly or indirectly, Section
11 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) [15 U.S.C. §
12 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using
13 any means or instrumentality of interstate commerce, or of the mails, or of any
14 facility of any national securities exchange, in connection with the purchase or sale of
15 any security:

- 16 (a) to employ any device, scheme, or artifice to defraud;
17 (b) to make any untrue statement of a material fact or to omit to state a
18 material fact necessary in order to make the statements made, in the light
19 of the circumstances under which they were made, not misleading; or
20 (c) to engage in any act, practice, or course of business which operates or
21 would operate as a fraud or deceit upon any person.

22 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
23 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
24 binds the following who receive actual notice of this Judgment by personal service or
25 otherwise: (a) Defendant’s officers, agents, servants, employees, and attorneys; and
26 (b) other persons in active concert or participation with Defendant or with anyone
27 described in (a).

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II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 (the “Securities Act”) [15 U.S.C. § 77q(a)] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to obtain money or property by means of any untrue statement of a material fact or any omission of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- (c) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Judgment by personal service or otherwise: (a) Defendant’s officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant or with anyone described in (a).

III.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating Section 5 of the Securities Act [15 U.S.C. § 77e] by, directly or indirectly, in the absence of any applicable exemption:

- (a) Unless a registration statement is in effect as to a security, making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus or otherwise;

- 1 (b) Unless a registration statement is in effect as to a security, carrying or
2 causing to be carried through the mails or in interstate commerce, by any
3 means or instruments of transportation, any such security for the purpose
4 of sale or for delivery after sale; or
- 5 (c) Making use of any means or instruments of transportation or
6 communication in interstate commerce or of the mails to offer to sell or
7 offer to buy through the use or medium of any prospectus or otherwise
8 any security, unless a registration statement has been filed with the
9 Commission as to such security, or while the registration statement is the
10 subject of a refusal order or stop order or (prior to the effective date of
11 the registration statement) any public proceeding or examination under
12 Section 8 of the Securities Act [15 U.S.C. § 77h].

13 **IV.**

14 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
15 Defendant shall pay disgorgement of ill-gotten gains, prejudgment interest thereon,
16 and a civil penalty pursuant to Section 20(d) of the Securities Act [15 U.S.C. §
17 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)]. The Court
18 shall determine the amounts of the disgorgement and civil penalty upon motion of the
19 SEC. Prejudgment interest shall be calculated from January 1, 2014, based on the
20 rate of interest used by the Internal Revenue Service for the underpayment of federal
21 income tax as set forth in 26 U.S.C. § 6621(a)(2). In connection with the SEC's
22 motion for disgorgement and civil penalties, and at any hearing held on such a
23 motion: (a) Defendant will be precluded from arguing that he did not violate the
24 federal securities laws as alleged in the Complaint; (b) Defendant may not challenge
25 the validity of the Consent or this Judgment; (c) solely for the purposes of such
26 motion, the allegations of the Complaint shall be accepted as and deemed true by the
27 Court; and (d) the Court may determine the issues raised in the motion on the basis of
28 affidavits, declarations, excerpts of sworn deposition or investigative testimony, and

1 documentary evidence, without regard to the standards for summary judgment
2 contained in Rule 56(c) of the Federal Rules of Civil Procedure. In connection with
3 the Commission's motion for disgorgement and civil penalties, the parties may take
4 discovery, including discovery from appropriate non-parties.

5 **V.**

6 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the
7 Consent of Defendant Robert Cortez Marshall to Entry of Judgment is incorporated
8 herein with the same force and effect as if fully set forth herein, and that Defendant
9 shall comply with all of the undertakings and agreements set forth therein.

10 **VI.**

11 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, for
12 purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code,
13 11 U.S.C. §523, the allegations in the complaint are true and admitted by Defendant,
14 and further, any debt for disgorgement, prejudgment interest, civil penalty or other
15 amounts due by Defendant under this Judgment or any other judgment, order, consent
16 order, decree or settlement agreement entered in connection with this proceeding, is a
17 debt for the violation by Defendant of the federal securities laws or any regulation or
18 order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy
19 Code, 11 U.S.C. §523(a)(19).

20 **VII.**

21 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court
22 shall retain jurisdiction of this matter for the purposes of enforcing the terms of this
23 Judgment.

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VIII.

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Judgment forthwith and without further notice.

Dated: 11-5-18



HON. JENNIFER A. DORSEY
UNITED STATES DISTRICT JUDGE